

STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER

In The Matter of

BOWEN SCARFF FORD SALES INC.,

Licensee.

ORDER NO. 15-0008

WAOIC# 5404

ORDER TO REFUSE TO ISSUE OR
RENEW LICENSE

To: Bowen Scarff Ford Sales Inc.
1157 N CENTRAL
Kent, WA 98032

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer license will not be renewed and that no new Washington insurance license will be issued to you pursuant to RCW 48.17.530.

BASIS:

1. Bowen Scarff Ford Sales Inc. ("Licensee") held a Washington resident insurance producer license, WAOIC No. 5404, from August 1976 to September 2011.

2. In 2009, Licensee completed life insurance certificates for three clients and collected \$4,594.68 in premiums. At the time, Licensee was no longer an appointed agent of the insurer whose certificates Licensee completed for these clients. The appointment ended about 1.5 years earlier.

3. Later in 2009, Licensee became aware of its errors. Licensee then submitted new certificates and remitted the clients' premium payments to an insurer that actively appointed Licensee. The clients had not signed the certificates, so the insurer rejected them and requested that Licensee get the required signatures. Upon Licensee's

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State of Washington
Office of Insurance Commissioner
5000 Capitol Blvd.
PO Box 40255
Olympia, WA 98504-0255

failure to get the clients' signatures, the insurer cancelled the certificates and returned the premium payments to Licensee. The clients remained uninsured until April 2013, when Licensee again forwarded the premium payments to the insurer. Licensee did not contact the clients to inform them of the issues with their insurance coverage. Licensee also overcharged a client \$408.03 for a premium payment, which the insurer later refunded.

4. In January 2012, one client died and a beneficiary made a claim against the policy the client purchased from Licensee. The claimant then discovered that no such policy existed. The insurer that most recently appointed Licensee paid the claim in April 2013.

APPLICABLE LAW:

1. RCW 48.17.530(1)(b) authorizes the Insurance Commissioner to refuse to issue or renew an insurance producer's license for violating any insurance laws or rules.

2. RCW 48.17.530(1)(d) authorizes the Insurance Commissioner to refuse to issue or renew an insurance producer's license for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business.

3. RCW 48.17.530(1)(g) authorizes the Insurance Commissioner to refuse to issue or renew an insurance producer's license for having admitted or been found to have committed any insurance unfair trade practice or fraud.

4. RCW 48.17.530(1)(h) authorizes the Insurance Commissioner to refuse to issue or renew an insurance producer's license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere.

5. RCW 48.17.530(3) authorizes the Insurance Commissioner to enforce the provisions of and impose any penalty or remedy authorized by this chapter and this title against any person who is under investigation for or charged with a violation of this chapter or this title, even if the person's license or registration has been surrendered or has lapsed by operation of law.

6. By collecting premium for insurance, which insurance is not then provided or is not in due course to be provided by an insurance policy issued by an insurer as authorized by this code, Licensee violated RCW 48.30.190(1).

Executed this 13th day of January, 2015.



MIKE KREIDLER
Insurance Commissioner

By and through his designee



Drew Stillman
Insurance Enforcement Specialist
Legal Affairs Division

NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order Revoking License, RCW 48.04.010 permits you to demand a hearing. You must demand a hearing in writing within 90 days after the date of this Order Revoking License or you will waive your right to a hearing.

If the Insurance Commissioner receives your demand for a hearing before the effective date listed on the order revoking your license, the revocation will be automatically stayed (postponed) and your license will remain in effect pending the hearing.

Your demand for a hearing should be sent to the following address and must briefly state how you are harmed by this decision and why you disagree with it:

Hearings Unit
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

You will be notified of the time and place of your hearing. If you have questions about filing a demand for hearing or the hearing process, please telephone the Hearings Unit at (360) 725-7002 or send an email to HearingsU@OIC.wa.gov.

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER TO REFUSE TO ISSUE OR RENEW LICENSE on the following entity via US Mail.

Bowen Scarff Ford Sales Inc.
1157 N CENTRAL
Kent, WA 98032

Dated this 13th day of January, 2015, in Tumwater, Washington.



Josh Pace
Secretary Senior
Legal Affairs Division